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ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
PHILIPPINES

IPF:(1987-91) $ 31 961 000

(PHI/91/005) - Technical Assistance for Social Services and Livelihood Development for Communities Affected by the Mt. Pinatubo Eruption

Date of approval by the AC:[1/]	4 December 1991
Expected duration:	18 months
Proposed executing agency:	Government
Government implementing agency:	National Economic & Development Authority (NEDA)
Proposed UNDP contribution:	$500 000 Source of funds: SPR
Total UNDP budget:	$500 000

Project background

The series of major volcanic eruptions of Mt. Pinatubo that occurred from June to July 1991 caused widespread damage to lives and property in four big provinces and two cities (all located in region III) in Luzon island, in the northern section of the Philippines. As July to December coincides with the tropical wet season, heavy rains spawned by tropical typhoons and monsoons continuously trigger mudflows which engulf more of the lowlands and inflict heavier damage. Specially in the severely affected areas, roads, bridges, homes, government and private buildings and major infrastructure for delivery of utilities and basic services were destroyed. Economic activity in many areas has virtually come to a halt with people's work places and sources of livelihood either badly damaged or completely destroyed. The toll is: 743 people dead, 276,748 families (or 1.35 million persons) displaced including nearly 8,000 families of the native Aeta tribe which have lived on the slopes of Mt. Pinatubo for hundreds of years. About 54,000 hectares of the most fertile and productive agricultural land in the country have been badly damaged and/or rendered virtually unproductive for years to come. Crop losses are estimated at (P)2.2 billion (US)$ 79 million and damage to public infrastructure worth (P) 3.8 billion (US)$144 million. In short, an enormous number of people lost their homes, their lands, other real properties and their means of livelihood. The situation is further aggravated by the breakdown in the delivery of basic public and private services.

The Government responded immediately by organizing an inter-agency Task Force to mobilize resources for relief and rehabilitation. Faced with extremely limited national

[1/] This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

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resources and capabilities to meet the massive demand for relief and rehabilitation, the Government quickly issued a global appeal for assistance. This was met with encouraging support. UNDP was the first donor to respond with (US)$50,000 from the SPR which was immediately used to procure tents and blankets. UNDP also co-ordinated the entire United Nations system assistance and liaised between the Government and other donors on relief contributions. Recognizing the gravity of the disaster, the 38th session of the UNDP Governing Council issued a resolution calling upon the Administrator to extend further assistance to the "maximum extent possible" in the rehabilitation efforts of the Philippines. Despite significant support from various donors, rehabilitation of damaged infrastructure, reconstruction of damaged homes, re-establishment of totally-destroyed communities, reinstatement of livelihood and employment opportunities and the reactivation of vital services are seriously hampered by the lack of systematically-designed plans, operating guidelines and practical, workable livelihood initiatives.

Description of project

The project aims to lay the groundwork for a more systematic, longer-term agenda of restoring acceptable conditions for human habitation in the affected areas. Accordingly, the project will produce: (a) plans for the physical rehabilitation and reconstruction of three severely affected towns (or municipalities); (b) plans for the development of six resettlement sites; and (c) livelihood packages to be implemented in the resettlement sites. The three town plans will focus mainly on over-all infrastructure reconstruction while the six plans for resettlement sites will concentrate on land development and basic services encompassing shelter, utilities, transportation and other area-specific service facilities. These plans will constitute the bases for follow-up investments from both domestic and external sources for physical rebuilding of towns and communities and the over-all rehabilitation of the lives of people in the affected areas.

The livelihood packages in the resettlement sites will include food production, brick-making and employment in rehabilitation work such as masonry and carpentry. An amount of (US)$50,000 will be allocated to set up a revolving fund for catalytic support (including credit schemes) to the livelihood packages. This amount is expected to be augmented by other donors. It will be channelled through existing credit delivery programmes of the Government and/or mechanisms managed by non-governmental organizations (NGOs). In the process of project implementation, it is expected that government capabilities will be enhanced through human resources development, specially at the local levels, including that of NGOs and the private sector whose close collaboration constitutes a critical aspect of the project's strategy.

Inputs

UNDP will provide international experts in settlements/physical planning, skills training, disaster management (10.25 man-months), national experts (24 man-months) in regional planning, community organizing, livelihood project packaging and business/credit management; $40,000 for training of government personnel at the sub-national levels in various planning-related fields; a subcontract in data collection, site development designs, livelihood packaging, preliminary land development in resettlement sites with NGO participation and $50,000 for a revolving fund; and purchase of equipment (two operational vehicles and essential office equipment).

Financial data

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Personnel	163 000
Subcontract	225 000
Training	40 000
Equipment	60 000
Miscellaneous	12 000
Total	500 000

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